



**MINUTES OF THE
AIRPORT COMPETITIVENESS COMMITTEE**

SAN JOSE, CALIFORNIA

FRIDAY, AUGUST 22, 2014

The Airport Competitiveness Committee of the City of San José convened in Regular Session at 2:30 p.m. in the City Manager's Conference Room T1734, 17th Floor of the City Hall Tower.

PRESENT: Mayor Chuck Reed, Chair; Councilmembers Rose Herrera and Sam Liccardo (arrived at 2:43 p.m.).

ABSENT: Councilmember Donald Rocha.

STAFF: City Manager Ed Shikada, Director of Aviation Kimberly Becker Aguirre, Senior Deputy City Attorney Kevin Fisher, Acting Assistant Director John Aitken, Assistant to the Director of Aviation Jim Webb, Airport Deputy Director for Finance Administration Kim Hawk, Airport Deputy Director for Planning and Development Meen Singh, Air Services Manager Mark Kiehl, and Deputy City Clerk Cecilia McDaniel.

Mayor Reed presented introductory remarks and thanked staff on initiation of the Global Entry Program.

A. Airport Concession Disadvantaged Business Enterprises

Documents Filed: Presentation on Items A, B, C, and D to the Airport Competitiveness Committee dated August 22, 2014; and Memo from Director of Aviation Kimberly Becker Aguirre to the Honorable Mayor and City Council dated August 25, 2014 regarding Airport Concession Disadvantage Business Enterprise Three-Year Participation Plan Update.

Director of Aviation Kimberly Becker Aguirre presented opening remarks and introduced Airport Deputy Director for Finance Administration Kim Hawk to the Committee. Ms. Hawk gave an update on the Airport Concession Disadvantage Business Enterprise (ACDBE) Program and indicated that adherence to the program is required to remain eligible to receive federal grants for airport development.

Director of Aviation Kimberly Becker Aguirre answered questions from the Committee. Airport Deputy Director for Finance Administration Kim Hawk informed the Committee that the program will be going before the City Council for approval on September 16, 2014.

B. "Good News" Items

Documents Filed: Presentation on Items A, B, C, and D to the Airport Competitiveness Committee dated August 22, 2014.

Director of Aviation Kimberly Becker Aguirre provided background information on the Global Entry Program and informed the Committee that two Global Entry Kiosks were installed at the Airport on August 8, 2014. The Airport is working with Customs to get mobile signups for the Global Entry Program. In order to qualify for the program, participants need to fill out an application and have a one-on-one interview with Customs.

Director of Aviation Kimberly Becker Aguirre informed the Committee that three food and beverage concessions are opening in Terminal A: Einstein Bagels (opened 8/4/14), Red Mango (scheduled to open 8/25/14) and Sip Savvy (scheduled to open on 9/15/14).

C. Economic Impact Study

Documents Filed: Presentation on Items A, B, C, and D to the Airport Competitiveness Committee dated August 22, 2014.

Director of Aviation Kimberly Becker Aguirre is conducting an Airport Economic Impact Study since the last one done was in 1998. The Airport currently has approximately 9 million customers, a 9.2 percent growth from last year. The Economic Impact Study was initiated on August 1, 2014 with an anticipated final report due in February 2015.

Deputy Director of Aviation for Planning and Development Meena Singh outlined the parameters of the study. Director of Aviation Kimberly Becker Aguirre answered Committee questions and responded to concerns that money was being spent to conduct a study without any real benefit of the report to the City. Director Aguirre reassured the Committee that the Airport would be able to use the results of the study to improve services and that they are sharing the data with Economic Development for the City's Fiscal Report Plan.

D. Air Service Development

Documents Filed: Presentation on Items A, B, C, and D to the Airport Competitiveness Committee dated August 22, 2014.

Director of Aviation Kimberly Becker Aguirre and Air Services Manager Mark Kiehl reported on continuing efforts to attract new air carriers and air services and responded to questions from the Committee. They also reported that the Airport has seen a 5.9 percent increase in total passengers from CY 2012 to CY 2013, which is higher than San Francisco (1.3 percent increase) and Oakland (3 percent decrease).

Councilmember Rose Herrera would like an update at the next meeting on how the airport in San Jose compares to the airport in Oakland.

E. Public Comments

There was no public testimony on the floor.

F. Next Meeting Date and Time

The next scheduled meeting is Friday, September 12, 2014 at 3:30 p.m. in the City Manager's Conference Room, City Hall Tower, Room 1734.

ADJOURNMENT

Mayor Reed adjourned the meeting at 3:20 p.m.

A handwritten signature in cursive script that reads "Chuck Reed". The signature is written in dark ink and is positioned above a horizontal line.

Mayor Chuck Reed
Airport Competitiveness Committee